STAND. COM. REP. NO. 3292

Honolulu, Hawaii

APR 0 3 2014

RE: H.B. No. 1811

H.D. 1 S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 1811, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the Department of Transportation to extend the time period that it may amend concession contracts, leases, or permits in exchange for revenue-enhancing improvements made by the concession business.

Your Committee received written comments in support of this measure from HMSHost Corporation, Hawaii; GRL Corporation; Island Shoppers, Inc.; Airport Concessionaires Committee; Greeters of Hawaii, Ltd.; and Tiare Enterprises, Inc.

Your Committee finds that Hawaii's airport concessions lack the modernization and improvements necessary to meet passenger needs and demands. Act 46, Session Laws of Hawaii 2012, authorized the Department of Transportation to negotiate and reach agreements with concessions to extend the terms of their leases or permits in exchange for revenue-enhancing improvements. Act 46 will sunset on July 1, 2014. However, the Department of Transportation and the concession businesses require additional time to review proposals and to obtain the necessary approvals. Extending the repeal date of Act 46, Sessions Laws of Hawaii 2012, will provide all parties with the additional time to properly complete their negotiations.

Your Committee has amended this measure by:

- (1) Changing the repeal date of Act 46, Session Laws of Hawaii 2012, to an unspecified date;
- (2) Changing the effective date to June 30, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1811, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1811, H.D. 1, S.D. 1.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

DAVID Y. ICE, Chair

## The Senate Twenty-Seventh Legislature State of Hawai'i

## Record of Votes Committee on Ways and Means WAM

| Bill / Resolution No.:*  | Committee Referral: Date: |          |          |        |         |
|--|---------------------------|----------|----------|--------|---------|
| HB 1811 HD1  | TIA,                      | WAM      |          | 3-28-1 | 4       |
| The committee is reconsidering its previous decision on this measure.  |                           |          |          |        |         |
| If so, then the previous decision was to:  |                           |          |          |        |         |
| The Recommendation is:   |                           |          |          |        |         |
| Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313  |                           |          |          |        |         |
| Members  |                           | Aye      | Aye (WR) | Nay    | Excused |
| IGE, David Y. (C)  |                           | /        |          |        |         |
| KIDANI, Michelle N. (VC)   |                           | /        |          |        |         |
| CHUN OAKLAND, Suzanne  |                           | <b>V</b> |          |        |         |
| DELA CRUZ, Donovan M.  |                           |          |          |        |         |
| ENGLISH, J. Kalani   |                           | /        |          |        |         |
| ESPERO, Will   |                           |          |          |        |         |
| KAHELE, Gilbert  |                           | /        |          |        |         |
| KEITH-AGARAN, Gilbert S.C.   |                           | /        |          |        |         |
| KOUCHI, Ronald D.  |                           | <b>/</b> |          |        |         |
| RUDERMAN, Russell E.   |                           |          |          |        |         |
| THIELEN, Laura H.  |                           |          | V        |        |         |
| TOKUDA, Jill N.  |                           |          |          |        |         |
| SLOM, Sam  |                           |          | _        |        |         |
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| Recommendation:  Adopted  Not Adopted  |                           |          |          |        |         |
| Chair's or Designee's Signature:  Niehelle A. Kidani'  |                           |          |          |        |         |
| Distribution:         Original         Yellow         Pink         Goldenrod           File with Committee Report         Clerk's Office         Drafting Agency         Committee File Copy |                           |          |          |        |         |

\*Only one measure per Record of Votes